

Viola Home Telephone Company
LOCAL NUMBER PORTABILITY DATA SUMMARY

	Initial LNP Start-Up Cost	Year 1	Year 2	Year 3	Year 4	Year 5	Total LNP Cost Projections
<u>INVESTMENTS</u>							
LNP Software	\$ 4,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,160
OSS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Voice Announcements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Switch Translations	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000
LNP Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LNP Transport Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>EXPENSES</u>							
Query	\$ -	\$ 179	\$ 208	\$ 238	\$ 268	\$ 298	\$ 1,191
Transport and Transit	\$ -	\$ 2,876	\$ 3,356	\$ 3,835	\$ 4,315	\$ 4,794	\$ 19,177
Regulatory/Legal/Admin/Order Processing	\$ 20,000	\$ 2,096	\$ 2,016	\$ 2,016	\$ 2,016	\$ 2,016	\$ 30,160
Employee Education	\$ 20,030	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 21,530
Technical Trouble	\$ 4,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 14,000
Customer Education	\$ 600	\$ 564	\$ 558	\$ 552	\$ 546	\$ 540	\$ 3,360
Sub-Totals	\$ 54,790	\$ 8,015	\$ 8,438	\$ 8,942	\$ 9,445	\$ 9,948	\$ 99,578
Present Value Factors	100.0000%	89.8876%	80.7979%	72.6273%	65.2830%	58.6813%	
Present Value Total Cost Projections	\$ 54,790	\$ 7,205	\$ 6,818	\$ 6,494	\$ 6,166	\$ 5,838	\$ 87,310
Access Lines							542
Months							60
Annual Expense per subscriber per month							\$ 2.69

1 Unless otherwise indicated, all data is from year-end 2003:

2	Viola Home Telephone Company	341087
3	<u>I-CO Data</u>	
4	PBX Lines	0
5	ISDN-PRI Lines	0
6	Other Access Lines	800
7	Equipped Lines	1,040
8	Local MOU- Tandem 1	3,840,000
9	Local MOU- Tandem 2	-
10	Number of Employees	7
11	Number of End Offices Requiring Translations	1
12	RIC	\$ 0.008543
13	Tandem Switched Transport	\$ 0.002523
14		
15	<u>Tandem 1 Transiting Rates</u>	
16	Tandem Switching	\$ 0.001033
17	Tandem Transport	\$ 0.000163
18	Tandem Transport Facility	\$ 0.000223
19		
20	<u>Tandem 2 Transiting Rates</u>	
21	Tandem Transiting	-
22	Tandem Transport	-
23	Tandem Transport Facility	-
24		
25	<u>Assumptions</u>	
26	Average Holding Time Per Local Call	4.00
27	LNP Query Charge	\$ 0.003102
28	Present Value Factor, Year 1	0.89888
29	Present Value Factor, Year 2	0.80798
30	Present Value Factor, Year 3	0.72627
31	Present Value Factor, Year 4	0.65283
32	Present Value Factor, Year 5	0.58681
33	Wireless Penetration, Year 1	6%
34	Wireless Penetration, Year 2	7%
35	Wireless Penetration, Year 3	8%
36	Wireless Penetration, Year 4	9%
37	Wireless Penetration, Year 5	10%
38	Regulatory/Legal Fee Per Hour	\$ 200
39	Regulatory/Legal Hours, Year Zero	100
40	Customer Education, Cost Per Mailing	\$ 0.75
41	Customer Education, Number of Mailings Per Year	1
42	Employee Education, Cost Per Employee	\$ 300.00
43	Employee Education, Number Of Employees Per Year, 1-5	1
44	Cost Per Translation Per Office	\$ 6,000
45	Technical Cost Per Hour	\$ 50.00
46	Technical Hours, Year Zero	80
47	Technical Hours Per Year, 1-5	40
48	LNP Administration, Annual Fee	\$ 2,000
49	LNP Port Fee Per Ported Number	\$ 2.00
50	Software Cost Per Wired Line	\$ 4.00
51	Number of Employees Needing Technical Training	2
52	Cost Per Technical Training Per Employee	8,965

LOCAL NUMBER PORTABILITY DATA
FOR DEVELOPMENT OF LNP END USER AND QUERY CHARGES

Viola Home Telephone Company
Exhibit 1
Attachment 1
Page 3

COMPANY NAME	Viola Home Telephone Company
STUDY AREA NUMBER	341087

AVERAGE MONTHLY LINES		YEAR				
	0 (Current)	1	2	3	4	5
1. PBX	0	0	0	0	0	0
2. ISDN-PRI	0	0	0	0	0	0
3. Other (Sum of Residential, Single Line Business, Multiline Business, Centrex)	800	752	744	736	728	720
3a TOTAL	800	752	744	736	728	720
3b Present Value Access Line	800	676	601	535	475	423

INVESTMENTS		YEAR				
	0 (Current)	1	2	3	4	5
4. Software Upgrades Total: (Please also itemize below, and provide descriptions in the right-most column)	\$10,160	\$0	\$0	\$0	\$0	\$0
4a. LNP Software	\$4,160					
4b. OSS	\$0					
4c. Voice Announcements	\$0					
4d. Switch Translations	\$6,000					
5. Hardware & Other (Please list items below)						
5a. LNP Hardware						
5b. LNP Transport Hardware						
5c.						
5d.						
TOTAL	\$10,160	\$0	\$0	\$0	\$0	\$0

EXPENSES (Maintenance etc.)		YEAR				
	0 (Current)	1	2	3	4	5
6. Please list items below						
6a. Regulatory/Legal/Admin/Order Processing	\$20,000	\$2,096	\$2,016	\$2,016	\$2,016	\$2,016
6b. Employee Education	\$20,030	\$300	\$300	\$300	\$300	\$300
6c. Technical Trouble	\$4,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
6d. Customer Education	\$ 600	\$ 564	\$ 558	\$ 552	\$ 546	\$ 540
TOTAL	\$44,630	\$4,960	\$4,874	\$4,868	\$4,862	\$4,856

1 **Viola Home Telephone Company**2 Transport Costs - Tandem 1

Year	Transit & Transport Expense
1	\$ 2,876
2	\$ 3,356
3	\$ 3,835
4	\$ 4,315
5	\$ 4,794
Total	\$ 19,177

11 Transport Costs - Tandem 2

Year	Transit 7 Transport Expense
1	\$ -
2	\$ -
3	\$ -
4	\$ -
5	\$ -
Total	\$ -

20 Query Dip Charges

Year	Query Charge
1	\$ 179
2	\$ 208
3	\$ 238
4	\$ 268
5	\$ 298
Total	\$ 1,191

	Item	units	Per Unit Cost	Total	Comments
4a.	LNP Software	1,040	\$ 4	\$ 4,160	The LNP price would be based on the number of equipped lines that in the DMS-10 office, direct interface GR-303 lines and remotes. Also the charge increases as the number of equipped lines increase in the DMS-10 area. There is a secondary offer in which we base the price on 130% of the total number of customers in a DMS-10 complex. Either way the price per line is \$4.00. Wired lines 1120 per bay. Jim Trier, Nortel Networks, 847-706-8156
4b.	Switch Translations	1	\$ 6,000	\$ 6,000	The DMS-10 HSO, SSO or SA office must be at 410.10 generic or higher and have SS-7 functionality activated. LNP feature software is price at \$4.00 per equipped line. This would include any local line packs, remotes or DLC interfaces (GR-303/TR-08) locations that are shown in the switch as equipped lines. Also LNP translation can be difficult so I recommend that you also engage Nortel to help support the translation requirements. The service charge for this runs about \$3,000 per office. (HSO, SSO or SA) If you have any questions please give me a call.
4c.	Switch Translations	30	\$ 100	\$ 3,000	Thanks Jim Trier Nortel Sales 847-706-8156 In addition to the above charges from NT, Home will have a minimum of two people present during the conversion process (one Home and one CCE). Based on Home conversations with Charlie Watts @ CCE it was determined that the testing and verification process related to the Nortel perform translations would run another \$3,000 per host office.
5.	Hardware & Other (Please list items below)				
5a.					

	Item		units	Per Unit Cost	Total	Comments
	<u>EXPENSES</u>					
6.	Please list items below					
6a.	Regulatory/Legal/Admin/Cust Svc	yr1	100.00	\$ 200	\$ 20,000	Projected 100 hours of regulatory/legal at a composite average billing rate of \$200/hour.
	yr1-5	asr orders	5.00	\$ 2,000.00	\$ 10,000	
	yr1		48	\$ 2.00	\$ 96	
	yr2-5		32	\$ 2.00	\$ 64	Annual Fee charged by GVNW for LNP administration is \$2,000 and per port fee charged by GVNW is \$2
					\$ 10,160	
6b.	Employee Education	Tech	2.00	\$ 8,965	\$ 17,930	NT Training class DMS-10 club
		Others	7.00	\$ 300	\$ 2,100	Estimated training cost for non-technical employees.
6c.	Technical Support/Processing/Trouble	tech	80.00	\$ 50	\$ 4,000	Estimated Technical labor hours for trouble, and support of LNP
			40.00	\$ 50	\$ 2,000	
						Reynolds based on previous pre-prepared mail pieces estimated the cost of \$0.75 per customer per mailing. WE projected that we would run two notices per year. Total changes in years 2-5 as access lines changes
6d.	Customer Education		800.00	\$ 0.75	\$ 1,200	